

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Commission,) Application No. C-3206
on its own motion, to administer)
the Nebraska Internet)
Enhancement Fund.) ORDER AWARDING GRANTS
)
)
) Entered: January 11, 2005

BY THE COMMISSION:

O P I N I O N A N D F I N D I N G S

On May 18, 2004, the Nebraska Public Service Commission (Commission) opened the above-captioned docket, on its own motion, to administer the Nebraska Internet Enhancement Fund (NIEF) established by the Legislature pursuant to *Neb. Rev. Stat.* §§ 86-579 through 86-580 (2002 Supp.). The Commission in its May 18, 2004, Order established a schedule for the application and award of grants from NIEF.

Pre-applications were received from eight communities. On August 24, 2004, the Commission entered an Order inviting the following pre-applicants to submit full applications: City of Chappell, Nebraska; Cheyenne County Commissioners, Sidney, Nebraska; Box Butte County Commissioners, Alliance, Nebraska; Dawes County Commissioners, Chadron, Nebraska; and Nemaha County Development Alliance.

Applications from the applicants mentioned above were received on or before November 15, 2004. The City of Chappell, Nebraska, requested funds in the amount of \$29,700. Cheyenne County Commissioners, Sidney, Nebraska, requested funds in the amount of \$50,000. Box Butte County Commissioners, Alliance, Nebraska, requested funds in the amount of \$50,000. Dawes County Commissioners, Chadron, Nebraska, requested funds in the amount of \$50,000. Nemaha County Development Alliance requested funds in the amount of \$76,246.47.

The NIEF Advisory Board reviewed and scored the above-mentioned applications during its December 15, 2004, meeting and recommended that all five be approved for NIEF grants in the amounts requested. With respect to the application filed by Nemaha County, two advisory board members voted against approving the application due to the fact that the amount requested was in excess of the \$50,000 cap set forth in the guidelines and that most of the matching funds were in the form of in-kind match.

The Commission has reviewed the applications submitted and finds that the proposed projects are consistent with the statutory purpose and goals of the NIEF program. Furthermore the proposed projects will provide financial assistance to communities in which the provision of the internet and advanced telecommunications services are particularly costly due to factors including population scarcity and location remoteness. Furthermore, the Commission finds that the proposed projects are economically viable and sustainable, provide benefit to the community in terms of access to the internet and advanced telecommunications services and will enhance rural development, economic development, education or telemedicine.

Although Nemaha County has applied for funds in excess of the \$50,000 grant cap, the Commission finds that the potential benefits of the proposed project and the fact that the project will fund more than one community warrants the additional funds and constitutes exceptional merit. Therefore, the Commission finds that the following applications should be approved for the amounts requested:

City of Chappell, Nebraska
Cheyenne County Commissioners, Sidney, Nebraska
Box Butte County Commissioners, Alliance, Nebraska
Dawes County Commissioners, Chadron, Nebraska
Nemaha County Development Alliance

The Commission further finds that pursuant to NIEF guidelines each grant recipient shall sign an assurance containing the terms or conditions deemed appropriate by the Commission prior to receiving any grant funds.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the above-captioned applications are approved for the requested amounts.

IT IS FURTHER ORDERED that Commission staff shall develop and provide written assurance to each of the grant recipients for their signature containing the terms and conditions of the grant.

MADE AND ENTERED at Lincoln, Nebraska, this 11th day of
January, 2005.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director